

105TH CONGRESS
2D SESSION

H. R. 2870

AN ACT

To amend the Foreign Assistance Act of 1961 to facilitate protection of tropical forests through debt reduction with developing countries with tropical forests.

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To amend the Foreign Assistance Act of 1961 to facilitate protection of tropical forests through debt reduction with developing countries with tropical forests.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. DEBT REDUCTION FOR DEVELOPING COUN-**
2 **TRIES WITH TROPICAL FORESTS.**

3 The Foreign Assistance Act of 1961 (22 U.S.C. 2151
4 et seq.) is amended by adding at the end the following:

5 **“PART V—DEBT REDUCTION FOR DEVELOPING**
6 **COUNTRIES WITH TROPICAL FORESTS**

7 **“SEC. 801. SHORT TITLE.**

8 “This part may be cited as the ‘Tropical Forest Con-
9 servation Act of 1998’.

10 **“SEC. 802. FINDINGS AND PURPOSES.**

11 “(a) FINDINGS.—The Congress finds the following:

12 “(1) It is the established policy of the United
13 States to support and seek protection of tropical for-
14 ests around the world.

15 “(2) Tropical forests provide a wide range of
16 benefits to humankind by—

17 “(A) harboring a major share of the
18 Earth’s biological and terrestrial resources,
19 which are the basis for developing pharma-
20 ceutical products and revitalizing agricultural
21 crops;

22 “(B) playing a critical role as carbon sinks
23 in reducing greenhouse gases in the atmos-
24 phere, thus moderating potential global climate
25 change; and

1 “(C) regulating hydrological cycles on
2 which far-flung agricultural and coastal re-
3 sources depend.

4 “(3) International negotiations and assistance
5 programs to conserve forest resources have pro-
6 liferated over the past decade, but the rapid rate of
7 tropical deforestation continues unabated.

8 “(4) Developing countries with urgent needs for
9 investment and capital for development have allo-
10 cated a significant amount of their forests to logging
11 concessions.

12 “(5) Poverty and economic pressures on the
13 populations of developing countries have, over time,
14 resulted in clearing of vast areas of forest for con-
15 version to agriculture, which is often unsustainable
16 in the poor soils underlying tropical forests.

17 “(6) Debt reduction can reduce economic pres-
18 sures on developing countries and result in increased
19 protection for tropical forests.

20 “(b) PURPOSES.—The purposes of this part are—

21 “(1) to recognize the values received by United
22 States citizens from protection of tropical forests;

23 “(2) to facilitate greater protection of tropical
24 forests (and to give priority to protecting tropical
25 forests with the highest levels of biodiversity and

1 under the most severe threat) by providing for the
2 alleviation of debt in countries where tropical forests
3 are located, thus allowing the use of additional re-
4 sources to protect these critical resources and reduce
5 economic pressures that have led to deforestation;

6 “(3) to ensure that resources freed from debt in
7 such countries are targeted to protection of tropical
8 forests and their associated values; and

9 “(4) to rechannel existing resources to facilitate
10 the protection of tropical forests.

11 **“SEC. 803. DEFINITIONS.**

12 “As used in this part:

13 “(1) ADMINISTERING BODY.—The term ‘admin-
14 istering body’ means the entity provided for in sec-
15 tion 809(c).

16 “(2) APPROPRIATE CONGRESSIONAL COMMIT-
17 TEES.—The term ‘appropriate congressional com-
18 mittees’ means—

19 “(A) the Committee on International Rela-
20 tions and the Committee on Appropriations of
21 the House of Representatives; and

22 “(B) the Committee on Foreign Relations
23 and the Committee on Appropriations of the
24 Senate.

1 “(3) BENEFICIARY COUNTRY.—The term ‘bene-
2 ficiary country’ means an eligible country with re-
3 spect to which the authority of section 806(a)(1),
4 section 807(a)(1), or paragraph (1) or (2) of section
5 808(a) is exercised.

6 “(4) BOARD.—The term ‘Board’ means the
7 board referred to in section 811.

8 “(5) DEVELOPING COUNTRY WITH A TROPICAL
9 FOREST.—The term ‘developing country with a trop-
10 ical forest’ means—

11 “(A)(i) a country that has a per capita in-
12 come of \$725 or less in 1994 United States dol-
13 lars (commonly referred to as ‘low-income coun-
14 try’), as determined and adjusted on an annual
15 basis by the International Bank for Reconstruc-
16 tion and Development in its World Development
17 Report; or

18 “(ii) a country that has a per capita in-
19 come of more than \$725 but less than \$8,956
20 in 1994 United States dollars (commonly re-
21 ferred to as ‘middle-income country’), as deter-
22 mined and adjusted on an annual basis by the
23 International Bank for Reconstruction and De-
24 velopment in its World Development Report;
25 and

1 “(B) a country that contains at least one
2 tropical forest that is globally outstanding in
3 terms of its biological diversity or represents
4 one of the larger intact blocks of tropical for-
5 ests left, on a regional, continental, or global
6 scale.

7 “(6) ELIGIBLE COUNTRY.—The term ‘eligible
8 country’ means a country designated by the Presi-
9 dent in accordance with section 805.

10 “(7) TROPICAL FOREST AGREEMENT.—The
11 term ‘Tropical Forest Agreement’ or ‘Agreement’
12 means a Tropical Forest Agreement provided for in
13 section 809.

14 “(8) TROPICAL FOREST FACILITY.—The term
15 ‘Tropical Forest Facility’ or ‘Facility’ means the
16 Tropical Forest Facility established in the Depart-
17 ment of the Treasury by section 804.

18 “(9) TROPICAL FOREST FUND.—The term
19 ‘Tropical Forest Fund’ or ‘Fund’ means a Tropical
20 Forest Fund provided for in section 810.

21 **“SEC. 804. ESTABLISHMENT OF THE FACILITY.**

22 “‘There is established in the Department of the
23 Treasury an entity to be known as the ‘Tropical Forest
24 Facility’ for the purpose of providing for the administra-
25 tion of debt reduction in accordance with this part.

1 **“SEC. 805. ELIGIBILITY FOR BENEFITS.**

2 “(a) IN GENERAL.—To be eligible for benefits from
3 the Facility under this part, a country shall be a develop-
4 ing country with a tropical forest—

5 “(1) whose government meets the requirements
6 applicable to Latin American or Caribbean countries
7 under paragraphs (1) through (5) and (7) of section
8 703(a) of this Act;

9 “(2) that has put in place major investment re-
10 forms, as evidenced by the conclusion of a bilateral
11 investment treaty with the United States, implemen-
12 tation of an investment sector loan with the Inter-
13 American Development Bank, World Bank-sup-
14 ported investment reforms, or other measures, as
15 appropriate; and

16 “(3) whose government meets other require-
17 ments related to its environmental policies and prac-
18 tices, as determined by the President.

19 **“(b) ELIGIBILITY DETERMINATIONS.—**

20 “(1) IN GENERAL.—Consistent with subsection
21 (a), the President shall determine whether a country
22 is eligible to receive benefits under this part.

23 “(2) CONGRESSIONAL NOTIFICATION.—The
24 President shall notify the appropriate congressional
25 committees of his intention to designate a country as

1 an eligible country at least 15 days in advance of
2 any formal determination.

3 **“SEC. 806. REDUCTION OF DEBT OWED TO THE UNITED**
4 **STATES AS A RESULT OF CONCESSIONAL**
5 **LOANS UNDER THE FOREIGN ASSISTANCE**
6 **ACT OF 1961.**

7 **“(a) AUTHORITY TO REDUCE DEBT.—**

8 **“(1) AUTHORITY.—**The President may reduce
9 the amount owed to the United States (or any agen-
10 cy of the United States) that is outstanding as of
11 January 1, 1997, as a result of concessional loans
12 made to an eligible country by the United States
13 under part I of this Act, chapter 4 of part II of this
14 Act, or predecessor foreign economic assistance leg-
15 islation.

16 **“(2) AUTHORIZATION OF APPROPRIATIONS.—**
17 For the cost (as defined in section 502(5) of the
18 Federal Credit Reform Act of 1990) for the reduc-
19 tion of any debt pursuant to this section, there are
20 authorized to be appropriated to the President—

21 **“(A) \$25,000,000 for fiscal year 1999;**

22 **“(B) \$75,000,000 for fiscal year 2000; and**

23 **“(C) \$100,000,000 for fiscal year 2001.**

24 **“(3) CERTAIN PROHIBITIONS INAPPLICABLE.—**

1 “(A) IN GENERAL.—A reduction of debt
2 pursuant to this section shall not be considered
3 assistance for purposes of any provision of law
4 limiting assistance to a country.

5 “(B) ADDITIONAL REQUIREMENT.—The
6 authority of this section may be exercised not-
7 withstanding section 620(r) of this Act or sec-
8 tion 321 of the International Development and
9 Food Assistance Act of 1975.

10 “(b) IMPLEMENTATION OF DEBT REDUCTION.—

11 “(1) IN GENERAL.—Any debt reduction pursu-
12 ant to subsection (a) shall be accomplished at the di-
13 rection of the Facility by the exchange of a new obli-
14 gation for obligations of the type referred to in sub-
15 section (a) outstanding as of the date specified in
16 subsection (a)(1).

17 “(2) EXCHANGE OF OBLIGATIONS.—

18 “(A) IN GENERAL.—The Facility shall no-
19 tify the agency primarily responsible for admin-
20 istering part I of this Act of an agreement en-
21 tered into under paragraph (1) with an eligible
22 country to exchange a new obligation for out-
23 standing obligations.

24 “(B) ADDITIONAL REQUIREMENT.—At the
25 direction of the Facility, the old obligations that

1 are the subject of the agreement shall be can-
2 celed and a new debt obligation for the country
3 shall be established relating to the agreement,
4 and the agency primarily responsible for admin-
5 istering part I of this Act shall make an adjust-
6 ment in its accounts to reflect the debt reduc-
7 tion.

8 “(c) NOTIFICATION REQUIREMENT.—The President
9 shall notify the congressional committees specified in sec-
10 tion 634A of this Act at least 15 days in advance of each
11 reduction of debt pursuant to this section in accordance
12 with the procedures applicable to reprogramming notifica-
13 tions under such section 634A.

14 “(d) ADDITIONAL TERMS AND CONDITIONS.—The
15 following additional terms and conditions shall apply to
16 the reduction of debt under subsection (a)(1) in the same
17 manner as such terms and conditions apply to the reduc-
18 tion of debt under section 704(a)(1) of this Act:

19 “(1) The provisions relating to repayment of
20 principal under section 705 of this Act.

21 “(2) The provisions relating to interest on new
22 obligations under section 706 of this Act.

1 **“SEC. 807. REDUCTION OF DEBT OWED TO THE UNITED**
2 **STATES AS A RESULT OF CREDITS EXTENDED**
3 **UNDER TITLE I OF THE AGRICULTURAL**
4 **TRADE DEVELOPMENT AND ASSISTANCE ACT**
5 **OF 1954.**

6 “(a) AUTHORITY TO REDUCE DEBT.—

7 “(1) AUTHORITY.—Notwithstanding any other
8 provision of law, the President may reduce the
9 amount owed to the United States (or any agency of
10 the United States) that is outstanding as of January
11 1, 1997, as a result of any credits extended under
12 title I of the Agricultural Trade Development and
13 Assistance Act of 1954 (7 U.S.C. 1701 et seq.) to
14 a country eligible for benefits from the Facility.

15 “(2) AUTHORIZATION OF APPROPRIATIONS.—

16 “(A) IN GENERAL.—For the cost (as de-
17 fined in section 502(5) of the Federal Credit
18 Reform Act of 1990) for the reduction of any
19 debt pursuant to this section, there are author-
20 ized to be appropriated to the President—

21 “(i) \$25,000,000 for fiscal year 1999;

22 “(ii) \$50,000,000 for fiscal year 2000;

23 and

24 “(iii) \$50,000,000 for fiscal year
25 2001.

1 “(B) LIMITATION.—The authority pro-
2 vided by this section shall be available only to
3 the extent that appropriations for the cost (as
4 defined in section 502(5) of the Federal Credit
5 Reform Act of 1990) of the modification of any
6 debt pursuant to this section are made in ad-
7 vance.

8 “(b) IMPLEMENTATION OF DEBT REDUCTION.—

9 “(1) IN GENERAL.—Any debt reduction pursu-
10 ant to subsection (a) shall be accomplished at the di-
11 rection of the Facility by the exchange of a new obli-
12 gation for obligations of the type referred to in sub-
13 section (a) outstanding as of the date specified in
14 subsection (a)(1).

15 “(2) EXCHANGE OF OBLIGATIONS.—

16 “(A) IN GENERAL.—The Facility shall no-
17 tify the Commodity Credit Corporation of an
18 agreement entered into under paragraph (1)
19 with an eligible country to exchange a new obli-
20 gation for outstanding obligations.

21 “(B) ADDITIONAL REQUIREMENT.—At the
22 direction of the Facility, the old obligations that
23 are the subject of the agreement shall be can-
24 celed and a new debt obligation shall be estab-
25 lished for the country relating to the agreement,

1 and the Commodity Credit Corporation shall
2 make an adjustment in its accounts to reflect
3 the debt reduction.

4 “(c) NOTIFICATION REQUIREMENT.—The President
5 shall notify the congressional committees specified in sec-
6 tion 634A of this Act at least 15 days in advance of each
7 reduction of debt pursuant to this section in accordance
8 with the procedures applicable to reprogramming notifica-
9 tions under such section 634A.

10 “(d) ADDITIONAL TERMS AND CONDITIONS.—The
11 following additional terms and conditions shall apply to
12 the reduction of debt under subsection (a)(1) in the same
13 manner as such terms and conditions apply to the reduc-
14 tion of debt under section 604(a)(1) of the Agricultural
15 Trade Development and Assistance Act of 1954 (7 U.S.C.
16 1738c):

17 “(1) The provisions relating to repayment of
18 principal under section 605 of such Act.

19 “(2) The provisions relating to interest on new
20 obligations under section 606 of such Act.

21 **“SEC. 808. AUTHORITY TO ENGAGE IN DEBT-FOR-NATURE**
22 **SWAPS AND DEBT BUYBACKS.**

23 “(a) LOANS AND CREDITS ELIGIBLE FOR SALE, RE-
24 DUCTION, OR CANCELLATION.—

25 “(1) DEBT-FOR-NATURE SWAPS.—

1 “(A) IN GENERAL.—Notwithstanding any
2 other provision of law, the President may, in
3 accordance with this section, sell to any eligible
4 purchaser described in subparagraph (B) any
5 concessional loans described in section
6 806(a)(1) or any credits described in section
7 807(a)(1), or on receipt of payment from an eli-
8 gible purchaser described in subparagraph (B),
9 reduce or cancel such loans (or credits) or por-
10 tion thereof, only for the purpose of facilitating
11 a debt-for-nature swap to support eligible activi-
12 ties described in section 809(d).

13 “(B) ELIGIBLE PURCHASER DESCRIBED.—
14 A loan or credit may be sold, reduced, or can-
15 celed under subparagraph (A) only to a pur-
16 chaser who presents plans satisfactory to the
17 President for using the loan or credit for the
18 purpose of engaging in debt-for-nature swaps to
19 support eligible activities described in section
20 809(d).

21 “(C) CONSULTATION REQUIREMENT.—Be-
22 fore the sale under subparagraph (A) to any eli-
23 gible purchaser described in subparagraph (B),
24 or any reduction or cancellation under such
25 subparagraph (A), of any loan or credit made

1 to an eligible country, the President shall con-
2 sult with the country concerning the amount of
3 loans or credits to be sold, reduced, or canceled
4 and their uses for debt-for-nature swaps to sup-
5 port eligible activities described in section
6 809(d).

7 “(D) AUTHORIZATION OF APPROPRIA-
8 TIONS.—For the cost (as defined in section
9 502(5) of the Federal Credit Reform Act of
10 1990) for the reduction of any debt pursuant to
11 subparagraph (A), amounts authorized to be
12 appropriated under sections 806(a)(2) and
13 807(a)(2) shall be made available for such re-
14 duction of debt pursuant to subparagraph (A).

15 “(2) DEBT BUYBACKS.—Notwithstanding any
16 other provision of law, the President may, in accord-
17 ance with this section, sell to any eligible country
18 any concessional loans described in section 806(a)(1)
19 or any credits described in section 807(a)(1), or on
20 receipt of payment from an eligible country, reduce
21 or cancel such loans (or credits) or portion thereof,
22 only for the purpose of facilitating a debt buyback
23 by an eligible country of its own qualified debt, only
24 if the eligible country uses an additional amount of
25 the local currency of the eligible country, equal to

1 not less than the lesser of 40 percent of the price
2 paid for such debt by such eligible country, or the
3 difference between the price paid for such debt and
4 the face value of such debt, to support eligible activi-
5 ties described in section 809(d).

6 “(3) LIMITATION.—The authority provided by
7 paragraphs (1) and (2) shall be available only to the
8 extent that appropriations for the cost (as defined in
9 section 502(5) of the Federal Credit Reform Act of
10 1990) of the modification of any debt pursuant such
11 paragraphs are made in advance.

12 “(4) TERMS AND CONDITIONS.—Notwithstand-
13 ing any other provision of law, the President shall,
14 in accordance with this section, establish the terms
15 and conditions under which loans and credits may be
16 sold, reduced, or canceled pursuant to this section.

17 “(5) ADMINISTRATION.—

18 “(A) IN GENERAL.—The Facility shall no-
19 tify the administrator of the agency primarily
20 responsible for administering part I of this Act
21 or the Commodity Credit Corporation, as the
22 case may be, of eligible purchasers described in
23 paragraph (1)(B) that the President has deter-
24 mined to be eligible under paragraph (1), and
25 shall direct such agency or Corporation, as the

1 case may be, to carry out the sale, reduction, or
2 cancellation of a loan pursuant to such para-
3 graph.

4 “(B) ADDITIONAL REQUIREMENT.—Such
5 agency or Corporation, as the case may be,
6 shall make an adjustment in its accounts to re-
7 flect the sale, reduction, or cancellation.

8 “(b) NOTIFICATION REQUIREMENT.—The President
9 shall notify the congressional committees specified in sec-
10 tion 634A of this Act at least 15 days in advance of each
11 sale, reduction, or cancellation of loans or credits pursuant
12 to this section in accordance with the procedures applica-
13 ble to reprogramming notifications under such section
14 634A.

15 “(c) DEPOSIT OF PROCEEDS.—The proceeds from
16 the sale, reduction, or cancellation of any loan sold, re-
17 duced, or canceled pursuant to this section shall be depos-
18 ited in the United States Government account or accounts
19 established for the repayment of such loan.

20 **“SEC. 809. TROPICAL FOREST AGREEMENT.**

21 “(a) AUTHORITY.—

22 “(1) IN GENERAL.—The Secretary of State is
23 authorized, in consultation with other appropriate
24 officials of the Federal Government, to enter into a
25 Tropical Forest Agreement with any eligible country

1 concerning the operation and use of the Fund for
2 that country.

3 “(2) CONSULTATION.—In the negotiation of
4 such an Agreement, the Secretary shall consult with
5 the Board in accordance with section 811.

6 “(b) CONTENTS OF AGREEMENT.—The requirements
7 contained in section 708(b) of this Act (relating to con-
8 tents of an agreement) shall apply to a Agreement in the
9 same manner as such requirements apply to an Americas
10 Framework Agreement.

11 “(c) ADMINISTERING BODY.—

12 “(1) IN GENERAL.—Amounts disbursed from
13 the Fund in each beneficiary country shall be admin-
14 istered by a body constituted under the laws of that
15 country.

16 “(2) COMPOSITION.—

17 “(A) IN GENERAL.—The administering
18 body shall consist of—

19 “(i) one or more individuals appointed
20 by the United States Government;

21 “(ii) one or more individuals ap-
22 pointed by the government of the bene-
23 ficiary country; and

24 “(iii) individuals who represent a
25 broad range of—

1 “(I) environmental nongovern-
2 mental organizations of, or active in,
3 the beneficiary country;

4 “(II) local community develop-
5 ment nongovernmental organizations
6 of the beneficiary country; and

7 “(III) scientific or academic or-
8 ganizations or institutions of the ben-
9 eficiary country.

10 “(B) ADDITIONAL REQUIREMENT.—A ma-
11 jority of the members of the administering body
12 shall be individuals described in subparagraph
13 (A)(iii).

14 “(3) RESPONSIBILITIES.—The requirements
15 contained in section 708(c)(3) of this Act (relating
16 to responsibilities of the administering body) shall
17 apply to an administering body described in para-
18 graph (1) in the same manner as such requirements
19 apply to an administering body described in section
20 708(c)(1) of this Act.

21 “(d) ELIGIBLE ACTIVITIES.—Amounts deposited in a
22 Fund shall be used to provide grants to preserve, main-
23 tain, and restore the tropical forests in the beneficiary
24 country, including one or more of the following activities:

1 “(1) Establishment, restoration, protection, and
2 maintenance of parks, protected areas, and reserves.

3 “(2) Development and implementation of sci-
4 entifically sound systems of natural resource man-
5 agement, including land and ecosystem management
6 practices.

7 “(3) Training programs to strengthen conserva-
8 tion institutions and increase scientific, technical,
9 and managerial capacities of individuals and organi-
10 zations involved in conservation efforts.

11 “(4) Restoration, protection, or sustainable use
12 of diverse animal and plant species.

13 “(5) Research and identification of medicinal
14 uses of tropical forest plant life to treat human dis-
15 eases and illnesses and other health-related con-
16 cerns.

17 “(6) Mitigation of greenhouse gases in the at-
18 mosphere.

19 “(7) Development and support of the livelihoods
20 of individuals living in or near a tropical forest, in-
21 cluding the cultures of such individuals, in a manner
22 consistent with protecting such tropical forest.

23 “(e) GRANT RECIPIENTS.—

24 “(1) IN GENERAL.—Grants made from a Fund
25 shall be made to—

1 “(A) nongovernmental environmental, con-
2 servation, and indigenous people organizations
3 of, or active in, the beneficiary country;

4 “(B) other appropriate local or regional
5 entities of, or active in, the beneficiary country;
6 and

7 “(C) in exceptional circumstances, the gov-
8 ernment of the beneficiary country.

9 “(2) PRIORITY.—In providing grants under
10 paragraph (1), priority shall be given to projects
11 that are run by nongovernmental organizations and
12 other private entities and that involve local commu-
13 nities in their planning and execution.

14 “(f) REVIEW OF LARGER GRANTS.—Any grant of
15 more than \$100,000 from a Fund shall be subject to veto
16 by the Government of the United States or the govern-
17 ment of the beneficiary country.

18 “(g) ELIGIBILITY CRITERIA.—In the event that a
19 country ceases to meet the eligibility requirements set
20 forth in section 805(a), as determined by the President
21 pursuant to section 805(b), then grants from the Fund
22 for that country may only be made to nongovernmental
23 organizations until such time as the President determines
24 that such country meets the eligibility requirements set
25 forth in section 805(a).

1 **“SEC. 810. TROPICAL FOREST FUND.**

2 “(a) ESTABLISHMENT.—Each beneficiary country
3 that enters into a Tropical Forest Agreement under sec-
4 tion 809 shall be required to establish a Tropical Forest
5 Fund to receive payments of interest on new obligations
6 undertaken by the beneficiary country under this part.

7 “(b) REQUIREMENTS RELATING TO OPERATION OF
8 FUND.—The following terms and conditions shall apply
9 to the Fund in the same manner as such terms and condi-
10 tions apply to an Enterprise for the Americas Fund under
11 section 707 of this Act:

12 “(1) The provision relating to deposits under
13 subsection (b) of such section.

14 “(2) The provision relating to investments
15 under subsection (c) of such section.

16 “(3) The provision relating to disbursements
17 under subsection (d) of such section.

18 **“SEC. 811. BOARD.**

19 “(a) ENTERPRISE FOR THE AMERICAS BOARD.—The
20 Enterprise for the Americas Board established under sec-
21 tion 610(a) of the Agricultural Trade Development and
22 Assistance Act of 1954 (7 U.S.C. 1738i(a)) shall, in addi-
23 tion to carrying out the responsibilities of the Board under
24 section 610(c) of such Act, carry out the duties described
25 in subsection (c) of this section for the purposes of this
26 part.

1 “(b) ADDITIONAL MEMBERSHIP.—

2 “(1) IN GENERAL.—The Enterprise for the
3 Americas Board shall be composed of an additional
4 four members appointed by the President as follows:

5 “(A) Two representatives from the United
6 States Government.

7 “(B) Two representatives from private
8 nongovernmental environmental, scientific, and
9 academic organizations with experience and ex-
10 pertise in preservation, maintenance, and res-
11 toration of tropical forests.

12 “(2) CHAIRPERSON.—Notwithstanding section
13 610(b)(2) of the Agricultural Trade Development
14 and Assistance Act of 1954 (7 U.S.C. 1738i(b)(2)),
15 the Enterprise for the Americas Board shall be
16 headed by a chairperson who shall be appointed by
17 the President from among the representatives ap-
18 pointed under section 610(b)(1)(A) of such Act or
19 paragraph (1)(A) of this subsection.

20 “(c) DUTIES.—The duties described in this sub-
21 section are as follows:

22 “(1) Advise the Secretary of State on the nego-
23 tiations of Tropical Forest Agreements.

24 “(2) Ensure, in consultation with—

1 “(A) the government of the beneficiary
2 country;

3 “(B) nongovernmental organizations of the
4 beneficiary country;

5 “(C) nongovernmental organizations of the
6 region (if appropriate);

7 “(D) environmental, scientific, indigenous,
8 and academic leaders of the beneficiary country;
9 and

10 “(E) environmental, scientific, indigenous,
11 and academic leaders of the region (as appro-
12 priate),

13 that a suitable administering body is identified for
14 each Fund.

15 “(3) Review the programs, operations, and fis-
16 cal audits of each administering body.

17 **“SEC. 812. CONSULTATIONS WITH THE CONGRESS.**

18 “The President shall consult with the appropriate
19 congressional committees on a periodic basis to review the
20 operation of the Facility under this part and the eligibility
21 of countries for benefits from the Facility under this part.

22 **“SEC. 813. ANNUAL REPORTS TO THE CONGRESS.**

23 “(a) IN GENERAL.—Not later than December 31 of
24 each fiscal year, the President shall prepare and transmit
25 to the Congress an annual report concerning the operation

1 of the Facility for the prior fiscal year. Such report shall
2 include—

3 “(1) a description of the activities undertaken
4 by the Facility during the previous fiscal year;

5 “(2) a description of any Agreement entered
6 into under this part;

7 “(3) a report on any Funds that have been es-
8 tablished under this part and on the operations of
9 such Funds; and

10 “(4) a description of any grants that have been
11 provided by administering bodies pursuant to Agree-
12 ments under this part.

13 “(b) SUPPLEMENTAL VIEWS IN ANNUAL REPORT.—
14 Not later than December 15 of each fiscal year, each mem-
15 ber of the Board shall be entitled to receive a copy of the
16 report required under subsection (a). Each member of the
17 Board may prepare and submit supplemental views to the
18 President on the implementation of this part by December
19 31 for inclusion in the annual report when it is transmit-
20 ted to Congress pursuant to this section.”.

Passed the House of Representatives March 19,
1998.

Attest:

Clerk.